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REATY OF

FRIENDSHIP, COMMERCE

AND NAVIGATION

BETWEEN THE UNITED

STATES OF AMERICA

AND THE

ITALIAN REPUBLIC

DEPARTMENT OF STATE A/CDC/MR
REVIEWED BY AP Brown DATE 9/19/83
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APRIL 7, 1947

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The United States of America and the Italian Republic, desirous of strengthening the bond of peace and the traditional ties of friendship between the two countries and of promoting closer intercourse between their respective territories through provisions responsive to the spiritual, cultural, economic and commercial aspirations of their peoples, have resolved to conclude a Treaty of Friendship, Commerce and Navigation based in general upon the principles of national and of most-favored-nation treatment in the unconditional form, and for that purpose have appointed as their Plenipotentiaries,

The President of the United States of America:

and,

The President of the Italian Republic:

Who, having communicated to each other their full powers found to be in due form, have agreed upon the following Articles:

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ARTICLE I

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1. The nationals of either High Contracting Party shall be permitted, subject to the provisions of paragraph 4 of this Article, to enter the territories of the other High Contracting Party, and shall be permitted freely to reside and travel therein.

2. The nationals of either High Contracting Party shall, within the territories of the other High Contracting Party, be permitted, without interference, to exercise, in conformity with the applicable laws and regulations, the following rights and privileges upon terms no less favorable than those now or hereafter accorded to nationals of such other High Contracting Party:

(a) to engage in commercial, manufacturing, processing, financial, professional (except the practice of law and medicine), scientific, educational, religious and philanthropic activities;

(b) to engage in the practice of law and medicine if not reserved exclusively to nationals of the country;

(c) to acquire, own, erect or lease, and occupy appropriate buildings, and to lease appropriate lands, for residential, commercial, manufacturing, processing, financial, professional, scientific, educational, religious, philanthropic and mortuary purposes;

(d) to employ agents and employees of their choice regardless of nationality; and

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(e) to

(e) to do anything incidental to or necessary for the enjoyment of any of the foregoing rights and privileges.

3. Moreover, the nationals of either High Contracting Party shall not in any case, with respect to the matters referred to in paragraphs 1 and 2 of this Article, receive treatment less favorable than the treatment which is or may hereafter be accorded to the nationals of any third country.

4. The provisions of this Treaty shall not be construed to affect existing statutes of either High Contracting Party in relation to immigration or the right of either High Contracting Party to enact statutes relating to immigration; provided, however, that nothing in this paragraph shall prevent the nationals of either High Contracting Party from entering, traveling and residing in the territories of the other High Contracting Party in order to carry on trade between the two High Contracting Parties or to engage in any commercial activity related thereto or connected therewith, upon terms as favorable as are or may hereafter be accorded to the nationals of any third country entering, traveling and residing in such territories in order to carry on trade between such other High Contracting Party and such third country or to engage in commercial activity related to or connected with such trade.

ARTICLE II

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ARTICLE II

1. As used in this Treaty the term "corporations and associations" shall mean corporations, companies, partnerships and other associations, whether or not with limited liability and whether or not for pecuniary profit, which have been or may hereafter be created or organized under the applicable laws and regulations.

2. Corporations and associations created or organized under the applicable laws and regulations within the territories of either High Contracting Party shall be deemed to be corporations and associations of such High Contracting Party and shall have their juridical status recognized within the territories of the other High Contracting Party whether or not they have a permanent establishment, branch or agency therein.

3. Corporations and associations of either High Contracting Party shall, within the territories of the other High Contracting Party, be permitted, without interference, to exercise all the rights and privileges enumerated in paragraph 2 of Article I, in conformity with the applicable laws and regulations, upon terms no less favorable than those now or hereafter accorded to corporations and associations of such other High Contracting Party. The preceding sentence, and all other provisions of this Treaty according to corporations and associations of the Italian Republic rights and privileges upon terms no less favorable than those now or hereafter accorded to corporations and associations of the United States of America, shall be construed as according such rights and privileges, in any state,

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tate, territory or possession of the United States of America, upon terms no less favorable than those upon which such rights a d privileges are or may hereafter be accorded therein to corporations and associations created or organized in other states, territories or possessions of the United States of America.

4. Moreover, corporations and associations of either High Contracting Party shall not in any case, with respect to the matters referred to in this Article, receive treatment less favorable than the treatment which is or may hereafter be accorded to corporations and associations of any third country.

ARTICLE III

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ARTICLE III

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1. The nationals, corporations and associations of either High Contracting Party shall enjoy, throughout the territories of the other High Contracting Party, rights and privileges with respect to organization of and participation in corporations and associations of such other High Contracting Party, including the enjoyment of rights with respect to promotion and incorporation, the purchase, ownership and sale of shares and, in the case of nationals, the holding of executive and official positions, in conformity with the applicable laws and regulations, upon terms no less favorable than those now or hereafter accorded to nationals, corporations and associations of any third country. Corporations and associations of either High Contracting Party, organized or participated in by nationals, corporations and associations of the other High Contracting Party pursuant to the rights and privileges enumerated in this paragraph, and controlled by such nationals, corporations and associations, shall be permitted to exercise the functions for which they are created or organized, in conformity with the applicable laws and regulations, upon terms no less favorable than those now or hereafter accorded to corporations and associations that are similarly organized, participated in and controlled by nationals, corporations and associations of any third country.

2. The nationals, corporations and associations of either High Contracting Party shall be permitted, in conformity with the applicable laws and regulations

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within the territories of the other High Contracting Party, to organize, control and manage corporations and associations of such other High Contracting Party for engaging in commercial, manufacturing, processing, mining, educational, philanthropic, religious and scientific activities. Such corporations and associations shall be permitted to engage in such commercial, manufacturing, processing, mining, educational, philanthropic, religious and scientific activities within such territories, in conformity with the applicable laws and regulations, upon terms no less favorable than those now or hereafter accorded to corporations and associations of such other High Contracting Party organized, controlled and managed by its own nationals, corporations and associations.

ARTICLE IV

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ARTICLE IV

The nationals, corporations and associations of either High Contracting Party shall be permitted within the territories of the other High Contracting Party to explore for and to exploit mineral resources, in conformity with the applicable laws and regulations, upon terms no less favorable than those now or hereafter accorded to nationals, corporations and associations of any third country.

ARTICLE V

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ARTICLE V

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1. The nationals of each High Contracting Party shall receive, within the territories of the other High Contracting Party, the most constant protection and security for their persons and property, and shall enjoy in this respect the full protection and security required by international law. To these ends, persons accused of crime shall be brought to trial promptly, and shall enjoy all the rights and privileges which are or may hereafter be accorded by the applicable laws and regulations; and nationals of either High Contracting Party, while within the custody of the authorities of the other High Contracting Party, shall receive reasonable and humane treatment. In so far as the term "nationals" where used in this paragraph is applicable in relation to property it shall be construed to include corporations and associations.

2. The property of nationals, corporations and associations of either High Contracting Party shall not be taken within the territories of the other High Contracting Party without due process of law and without the prompt payment of just and effective compensation. The recipient of such compensation shall, in conformity with such applicable laws and regulations as are not inconsistent with paragraph 3 of Article XVII of this Treaty, be permitted without interference to withdraw the compensation by obtaining foreign exchange, in the currency of the High Contracting Party of which such recipient is a national, corporation or association, upon the most favorable terms applicable to such

currency

currency at the time of the taking of the property, and exempt from any transfer or remittance tax, provided application for such exchange is made within one year after receipt of the compensation to which it relates.

3. The nationals, corporations and associations of either High Contracting Party shall within the territories of the other High Contracting Party receive protection and security with respect to the matters enumerated in paragraphs 1 and 2 of this Article, upon compliance with the applicable laws and regulations, no less than the protection and security which is or may hereafter be accorded to the nationals, corporations and associations of such other High Contracting Party and no less than that which is or may hereafter be accorded to the nationals, corporations and associations of any third country.

4. The nationals, corporations and associations of either High Contracting Party shall enjoy freedom of access to the courts of justice and to administrative tribunals and agencies in the territories of the other High Contracting Party, in all degrees of jurisdiction established by law, both in pursuit and in defense of their rights; shall be at liberty to choose and employ lawyers, interpreters and representatives in the prosecution and defense of their rights before such courts, tribunals and agencies; and shall be permitted to exercise all these rights and privileges, in conformity with the applicable laws and regulations, upon terms no less favorable than the terms which are or may hereafter be accorded to the nationals, corporations and associations

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of the other High Contracting Party and no less favorable than are or may hereafter be accorded to the nationals, corporations and associations of any third country. Moreover, corporations and associations of either High Contracting Party which are not engaged in business or in non-profit activities within the territories of the other High Contracting Party shall be permitted to exercise the rights and privileges accorded by the preceding sentence without any requirement of registration or domestication.

5. In the case of any controversy susceptible of settlement by arbitration, which involves nationals, corporations or associations of both High Contracting Parties and is covered by a written agreement for arbitration, such agreement shall be accorded full faith and credit by the courts within the territories of each High Contracting Party, and the award or decision of the arbitrators shall be accorded full faith and credit by the courts within the territories of the High Contracting Party in which it was rendered, provided the arbitration proceedings were conducted in good faith and in conformity with the agreement for arbitration.

ARTICLE VI

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ARTICLE VI

The dwellings, warehouses, factories, shops, and other places of business, and all premises thereto appertaining, of the nationals, corporations and associations of either High Contracting Party, located in the territories of the other High Contracting Party, shall not be subject to unlawful entry or molestation. There shall not be made any visit to, or any search of, any such dwellings, buildings or premises, nor shall any books, papers or accounts therein be examined or inspected, except under conditions and in conformity with procedures no less favorable than the conditions and procedures prescribed for nationals, corporations and associations of such other High Contracting Party under the applicable laws and regulations within the territories thereof. In no case shall the nationals, corporations or associations of either High Contracting Party in the territories of the other High Contracting Party be treated less favorably with respect to the foregoing matters than the nationals, corporations or associations of any third country. Moreover, any visit, search, examination or inspection which may be permissible under the exception stated in this Article shall be made with due regard for, and in such a way as to cause the least possible interference with, the occupants of such dwellings, buildings or premises or the ordinary conduct of any business or other enterprise.

ARTICLE VII

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ARTICLE VI

The dwellings, warehouses, factories, shops, and other places of business, and all premises thereto appertaining, of the nationals, corporations and associations of either High Contracting Party, located in the territories of the other High Contracting Party, shall not be subject to unlawful entry or molestation. There shall not be made any visit to, or any search of, any such dwellings, buildings or premises, nor shall any books, papers or accounts therein be examined or inspected, except under conditions and in conformity with procedures no less favorable than the conditions and procedures prescribed for nationals, corporations and associations of such other High Contracting Party under the applicable laws and regulations within the territories thereof. In no case shall the nationals, corporations or associations of either High Contracting Party in the territories of the other High Contracting Party be treated less favorably with respect to the foregoing matters than the nationals, corporations or associations of any third country. Moreover, any visit, search, examination or inspection which may be permissible under the exception stated in this Article shall be made with due regard for, and in such a way as to cause the least possible interference with, the occupants of such dwellings, buildings or premises or the ordinary conduct of any business or other enterprise.

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ARTICLE VII

ARTICLE VII

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1. The nationals, corporations and associations of the United States of America shall be permitted to acquire, own and dispose of real and other immovable property or interests therein within the territories of the Italian Republic upon terms no less favorable than those now or hereafter accorded to nationals, corporations and associations of the Italian Republic; provided that, in the case of nationals of the United States of America domiciled in, and of corporations and associations of the United States of America created or organized under the laws of, a state, territory or possession of the United States of America which does not accord to nationals, corporations and associations of the Italian Republic treatment with respect to the acquisition, ownership and disposition of real or other immovable property or interests therein as favorable as that accorded to nationals, corporations and associations of the United States of America, the Italian Republic shall not be obligated to accord treatment more favorable than the treatment which is or may hereafter be accorded within such state, territory or possession to nationals, corporations and associations of the Italian Republic.

2. If a national, corporation or association of either High Contracting Party, whether or not resident and whether or not engaged in business or other activities within the territories of the other High Contracting Party, is on account of alienage prevented by the applicable laws and regulations within such territories from succeeding as devisee, or as heir in the case

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of

situated therein, or to interests in such property, then such national, corporation or association shall be allowed a term of three years in which to sell or otherwise dispose of such property or interests, this term to be reasonably prolonged if circumstances render it necessary. The transmission or receipt of such property or interests shall be exempt from the payment of any estate, succession, probate or administrative taxes or charges higher than those now or hereafter imposed in like cases of nationals, corporations or associations of the High Contracting Party in whose territory the property is or the interests therein are situated. Moreover, such devisee or heir shall, in conformity with such applicable laws and regulations as are not inconsistent with paragraph 3 of Article XVII, be permitted without interference to withdraw the proceeds of the sale of such property by obtaining foreign exchange, in the currency of the High Contracting Party of which the devisee is a national, corporation or association, or of which the heir is a national, during a period not in excess of three years after application therefor, upon the most favorable terms applicable to such currency at the time application for the withdrawal of such proceeds is filed, provided such application is made within one year after receipt of the proceeds of sale to which it relates.

3. The nationals of either High Contracting Party shall have full power to dispose of personal property of every kind within the territories of the other High

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racting Party, by testament, donation or otherwise d their heirs, legatees or donees, being persons of hatever nationality or corporations or associations wherever created or organized, whether resident or non-resident and whether or not engaged in business within the territories of the High Contracting Party where such property is situated, shall succeed to such property, and shall themselves or by their agents be permitted to take possession thereof, and to retain or dispose of it at their pleasure. Such disposition, succession and retention shall be subject to the provisions of Article IX and exempt from any other charges higher, and from any restrictions more burdensome, than those applicable in like cases of nationals, corporations and associations of such other High Contracting Party. The nationals, corporations and associations of either High Contracting Party shall be permitted to succeed, as heirs, legatees and donees, to personal property of every kind within the territories of the other High Contracting Party, left or given to them by nationals of either High Contracting Party or by nationals of any third country, and shall themselves or by their agents be permitted to take possession thereof, and to retain or dispose of it at their pleasure. Such disposition, succession and retention shall be subject to the provisions of Article IX and exempt from any other charges, and from any restrictions, other or higher than those applicable in like cases of nationals, corporations and associations of such other High Contracting Party. In the event of the death of a national of either High

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tracting Party the recipients by virtue of testate or intestate succession of his personal property located within the territories of the other High Contracting Party shall be determined by the applicable laws and regulations at the place where he was domiciled at the time of his death. Nothing in this paragraph shall be construed to affect the laws and regulations of either High Contracting Party prohibiting or restricting the direct or indirect ownership by aliens or foreign corporations and associations of the shares in, or instruments of indebtedness of, corporations and associations of such High Contracting Party carrying on particular types of activities.

4. The nationals, corporations and associations of either High Contracting Party shall, subject to the exceptions in paragraph 2 of Article IX, receive treatment in respect of all matters which relate to the acquisition, ownership, lease, possession or disposition of personal property, no less favorable than the treatment which is or may hereafter be accorded to nationals, corporations and associations of any third country.

ARTICLE VIII

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ARTICLE VIII

1. The nationals, corporations and associations of either High Contracting Party shall enjoy, within the territories of the other High Contracting Party, all rights and privileges of whatever nature in regard to patents, trade marks, trade labels, trade names and other industrial property, upon compliance with the applicable laws and regulations respecting registration and other formalities, upon terms no less favorable than are or may hereafter be accorded to the nationals, corporations and associations of such other High Contracting Party, and no less favorable than the treatment now or hereafter accorded to nationals, corporations and associations of any third country.

2. The nationals, corporations and associations of either High Contracting Party shall enjoy, within the territories of the other High Contracting Party, all rights and privileges of whatever nature in regard to copyrights and other literary and artistic property, upon compliance with the applicable laws and regulations respecting registration and other formalities, upon terms no less favorable than are or may hereafter be accorded to the nationals, corporations and associations of such other High Contracting Party.

ARTICLE IX

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ARTICLE IX

1. Nationals and companies of either High Contracting Party shall not be subjected to the payment of internal taxes, fees and charges imposed upon or applied to income, capital, transactions, activities or any other object, or to requirements with respect to the levy and collection thereof, within the territories of the other High Contracting Party:

(a) more burdensome than those borne by nationals, residents and companies of any third country;

(b) more burdensome than those borne by nationals and companies of such other High Contracting Party, in the case of persons resident or engaged in business within the territories of such other High Contracting Party, and in the case of companies engaged in business therein, or organized and operated exclusively for scientific, educational, religious or philanthropic purposes.

2. In the case of companies of either High Contracting Party engaged in business within the territories of the other High Contracting Party, and in the case of nationals of either High Contracting Party engaged in business within the territories of the other High Contracting Party but not resident therein, such other High Contracting Party shall not impose or apply any internal tax, fee or charge upon any income, capital or other basis in excess of that reasonably allocable or apportionable to its territories, nor grant deductions and exemptions less than those reasonably allocable or apportionable to its territories. A comparable rule shall apply also in the case of companies organized and operated exclusively for scientific, educational, religious or philanthropic purposes.

3. Notwithstanding

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Notwithstanding the provisions of paragraph 1 of the present Article, each High Contracting Party reserves the right to: (a) extend specific advantages as to taxes, fees and charges to nationals, residents and companies of all foreign countries on the basis of reciprocity; (b) accord to nationals, residents and companies of a third country special advantages by virtue of an agreement with such country for the avoidance of double taxation or the mutual protection of revenue; and (c) accord to its own nationals and to residents of contiguous countries more favorable exemptions of a personal nature than are accorded to other nonresident persons.

ARTICLE X

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ARTICLE X

Commercial travelers representing nationals, corporations or associations of either High Contracting Party engaged in business within the territories thereof, shall, upon their entry into and sojourn within the territories of the other High Contracting Party and on departure therefrom, be accorded treatment no less favorable than the treatment now or hereafter accorded to commercial travelers of any third country in respect of customs and other rights and privileges and, subject to the exceptions in paragraph 2 of Article IX, in respect of all taxes and charges applicable to them or to their samples.

ARTICLE XI

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ARTICLE XI

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1. The nationals of either High Contracting Party shall, within the territories of the other High Contracting Party, be permitted to exercise liberty of conscience and freedom of worship, and they may, whether individually, collectively or in religious corporations or associations, and without annoyance or molestation of any kind by reason of their religious belief or otherwise, conduct services, either within their own houses or within any other appropriate buildings, provided that their teachings or practices are not contrary to public morals.

2. The High Contracting Parties declare their adherence to the principles of freedom of the press and of free interchange of information. To this end, nationals, corporations and associations of either High Contracting Party shall have the right, within the territories of the other High Contracting Party, to engage in such activities as writing, reporting and gathering of information for dissemination to the public, and shall enjoy freedom of transmission of material to be used abroad for publication by the press, radio, motion pictures, and other means. The nationals, corporations and associations of either High Contracting Party shall enjoy freedom of publication in the territories of the other High Contracting Party, in accordance with the applicable laws and regulations, upon the same terms as nationals, corporations or associations of such other High Contracting Party. The term "information", as used in this paragraph, shall include all forms of written communications,

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nications, printed matter, motion pictures, record-
s and photographs.

3. The nationals of either High Contracting Party shall be permitted within the territories of the other High Contracting Party to bury their dead according to their religious customs in suitable and convenient places which are or may hereafter be established and maintained for the purpose, subject to the applicable mortuary and sanitary laws and regulations.

ARTICLE XII

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ARTICLE XII

The nationals of either High Contracting Party, regardless of alienage or place of residence, shall be accorded rights and privileges no less favorable than those accorded to the nationals of the other High Contracting Party, under laws and regulations within the territories of such other High Contracting Party that (a) establish a civil liability for injury or death, and give a right of action to an injured person, or to the relatives, heirs, dependents or personal representative, as the case may be, of an injured or deceased person, or that (b) grant to a wage earner or an individual receiving salary, commission or other remuneration, or to his relatives, heirs or dependents, as the case may be, a right of action, or a pecuniary compensation or other benefit or service, on account of occupational disease, injury or death arising out of and in the course of employment or due to the nature of employment.

ARTICLE XIII

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ARTICLE XIII

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1. The nationals of each High Contracting Party shall be exempt, except as otherwise provided in paragraph 2 of this Article, from compulsory military or naval training or service under the jurisdiction of the other High Contracting Party, and shall also be exempt from all contributions in money or in kind imposed in lieu thereof.

2. During any period of time when both of the High Contracting Parties are, through military or naval action in connection with which there is general compulsory military or naval service, (a) enforcing measures against the same third country or countries in pursuance of obligations for the maintenance of international peace and security, or (b) concurrently conducting hostilities against the same third country or countries, the exemptions provided in paragraph 1 of this Article shall not apply. However, in such an event the nationals of either High Contracting Party in the territories of the other High Contracting Party, who have not declared their intention to acquire the nationality of such other High Contracting Party, shall be exempt from military or naval service under the jurisdiction of such other High Contracting Party if within a reasonable time prior to their induction for such service they elect, in lieu of such service, to enter the military or naval service of the High Contracting Party of which they are nationals. In any such situation the High Contracting Parties will make the necessary arrangements for giving effect to the

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provisions of this paragraph.

3. Nothing in this Article shall be construed to affect the right of either High Contracting Party to debar from acquiring its citizenship any person who seeks and obtains exemptions in accordance with the provisions of paragraphs 1 or 2 of this Article.

ARTICLE XIV

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1. In all matters relating to (a) customs duties and subsidiary charges of every kind imposed on imports or exports and in the method of levying such duties and charges, (b) the rules, formalities, and charges imposed in connection with the clearing of articles through the customs, and (c) the taxation, sale, distribution or use within the country of imported articles and of articles intended for exportation, each High Contracting Party shall accord to articles the growth, produce or manufacture of the other High Contracting Party, from whatever place arriving, or to articles destined for exportation to the territories of such other High Contracting Party, by whatever route, treatment no less favorable than the treatment now or hereafter accorded to like articles the growth, produce or manufacture of, or destined for, any third country.

2. With respect to the matters referred to in paragraph 1 of this Article, the nationals, corporations and associations of either High Contracting Party shall be accorded, within the territories of the other High Contracting Party, treatment no less favorable than the treatment which is or may hereafter be accorded to the nationals, corporations and associations of such other High Contracting Party; and with respect to such matters the nationals, corporations and associations, vessels and cargoes of either High Contracting Party shall be accorded, within the territories of the other High Contracting Party, treatment no less favorable than the treatment which is or may hereafter be accorded to nationals,

nationals, corporations and associations, vessels and cargoes of any third country.

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3. No prohibition or restriction of any kind shall be imposed by either High Contracting Party on the importation, sale, distribution or use of any article the growth, produce or manufacture of the other High Contracting Party, or on the exportation of any article destined for the territories of the other High Contracting Party, unless the importation, sale, distribution or use of the like article the growth, produce or manufacture of all third countries, or the exportation of the like article to all third countries, respectively, is similarly prohibited or restricted.

4. If either High Contracting Party imposes any quantitative regulation, whether made effective through quotas, licenses or other measures, on the importation or exportation of any article, or on the sale, distribution or use of any imported article, it shall as a general rule give public notice of the total quantity or value of such article permitted to be imported, exported, sold, distributed or used during a specified period, and of any change in such quantity or value. Furthermore, if either High Contracting Party allots to any third country a share of such total quantity or value of any article in which the other High Contracting Party has an important interest, it shall as a general rule allot to such other High Contracting Party a share of such total quantity or value based upon the proportion of the total quantity or value supplied by, or in the case of exports a share based

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upon the proportion exported to, the territories of such other High Contracting Party during a previous representative period, account being taken in so far as practicable of any special factors which may have affected or may be affecting the trade in that article. The provisions of this paragraph relating to imported articles shall also apply in respect of the quantity or value of any article permitted to be imported free of duty or tax, or at a lower rate of duty or tax than the rate of duty or tax imposed on imports in excess of such quantity or value.

5. If either High Contracting Party requires documentary proof of origin of imported articles, the requirements imposed therefor shall be reasonable and shall not be such as to constitute an unnecessary hindrance to indirect trade.

ARTICLE XV

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1. Laws, regulations of administrative authorities and decisions of administrative or judicial authorities of each High Contracting Party pertaining to the classification of articles for customs purposes or to rates of duty shall be published promptly in such a manner as to enable traders to become acquainted with them. Such laws, regulations and decisions shall be applied uniformly at all ports of each High Contracting Party, except as otherwise specifically provided for in statutes of the United States of America with respect to the importation of articles into its insular territories and possessions.

2. No administrative ruling by either High Contracting Party effecting advances in rates of duties or charges applicable under an established and uniform practice to imports originating in the territories of the other High Contracting Party, or imposing any new requirement with respect to such importations, shall as a general rule be applied to articles the growth, produce or manufacture of the other High Contracting Party already en route at the time of publication thereof in accordance with the preceding paragraph; provided that, if either High Contracting Party customarily exempts from such new or increased obligations articles entered for consumption or withdrawn from warehouse for consumption during a period of thirty days after the date of such publication, such practice shall be considered full compliance with this paragraph. The provisions of this paragraph shall not apply to administrative orders imposing antidumping or countervailing duties, or

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animal or plant life or health, or relating to public safety, or giving effect to judicial decisions.

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3. Each High Contracting Party shall provide some administrative or judicial procedure under which the nationals, corporations and associations of the other High Contracting Party, and importers of articles the growth, produce or manufacture of such other High Contracting Party, shall be permitted to appeal against fines and penalties imposed upon them by the customs authorities, confiscations by such authorities and rulings of such authorities on questions of customs classification and of valuation of articles for customs purposes. Greater than nominal penalties shall not be imposed by either High Contracting Party in connection with any importation by the nationals, corporations or associations of the other High Contracting Party, or in connection with the importation of articles the growth, produce or manufacture of such other High Contracting Party, because of errors in documentation which are obviously clerical in origin or with regard to which good faith can be established.

4. Each High Contracting Party will accord sympathetic consideration to such representations as the other High Contracting Party may make with respect to the operation or administration of import or export prohibitions or restrictions, quantitative regulations, customs regulations or formalities, or sanitary laws or regulations for the protection of human, animal or plant life or health.

ARTICLE XVI

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1. Articles the growth, produce or manufacture of either High Contracting Party, imported into the territories of the other High Contracting Party, shall be accorded treatment with respect to all matters affecting internal taxation, or the sale, distribution or use within such territories, no less favorable than the treatment which is or may hereafter be accorded to like articles of national origin.

2. Articles grown, produced or manufactured within the territories of either High Contracting Party in whole or in part by nationals, corporations and associations of the other High Contracting Party, or by corporations and associations of the High Contracting Party within the territories of which such articles are grown, produced or manufactured which are controlled by nationals, corporations and associations of the other High Contracting Party, shall be accorded within such territories treatment with respect to all matters affecting internal taxation, or the sale, distribution or use therein, or exportation therefrom, no less favorable than the treatment now or hereafter accorded to like articles grown, produced or manufactured therein in whole or in part by nationals, corporations and associations of the High Contracting Party within the territories of which the articles are grown, produced or manufactured, or by corporations and associations of such High Contracting Party which are controlled by such nationals, corporations and associations. The articles specified in the preceding sentence shall not in any case receive treatment less favorable than the

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Rec'd December 15, 1947
8:32 p.m.

FROM: Rome

TO : Secretary of State

NO : 4041, December 15, 6 p.m.

Commercial treaty 24.

Agreements reached between two delegations 15th meeting December 12 on following points:

Article XXIII. Understanding on transit military personnel (DEPTEL 2368) approved for minutes.

Article XXIV. Paragraph 1-E. Clarification "extent necessary" approved for minutes (DEPTEL 2316). Note that this should refer to subparagraph 1-F.

Article XXIV paragraph 3-D. Italians agreed that exception for Vatican City appears to cover all advantages accorded through Lateran Pacts, hence matter dropped.

Article V paragraph 2 and Article VII paragraph 2. In response to question, we stated that order in which subparagraphs "A" through "D" are listed in the new paragraph (priority withdrawal formula) approved for add protocol is not intended to establish relative priority as between such withdrawals, but only to give all such withdrawals priority over others not listed. Minutes will so state.

Article XXIV paragraph 3-E. When we suggested first of alternatives proposed DEPTEL 2153, October 23 on colonial preferences, Lombardo desired to merge this

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with version originally proposed by Italians (EMBTEL 3756, November 20) in order include specific reference to "territories". We therefore suggested and Italians accepted second alternative, place record US views on preferences in minutes.

Article XV paragraph 2. Italians accepted our desire retain benefits for goods en route.

Article XXI. Italians accepted inclusion MFN treatment (DEPTEL 2551). They urged that first of three insertions (middle paragraph 1) be deleted as serving no purpose, and asked whether we could cite any case when such insertion would be needed. We suggested Italo-Argentine agreement as possible case in point. Although we did not intend bring up subject, this clears air for later discussions with Foreign Office referring to FCN provisions.

Italians also agreed to add "both equally authentic" as suggested; to add "islands" in Article XXIV paragraph 3-D, to add "production of" arms in paragraph 1-D (note that this subparagraph is no longer "C"); and to include statements in minutes regarding territorial scope (Article XXV) and for consultation, etc., regarding Article XXIV paragraph 1-F (note that this is no longer subparagraph "E") in terms of add protocol paragraph 1 (DEPTEL 2399, November 19).

We informed Italians gist Department's A-549, December 2 on food tolerances, stating we would give detailed information to Foreign Office.

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